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[AS AMENDED BY THE STANDING COMMITTEE ON TRADE, &c.]

TO

Improve the position of Tenants of certain Houses, A.D. 1906.
Shops, or other Buildings in Ireland.

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

5 COMPENSATION FOR IMPROVEMENTS.

1.—(1) Subject to the provisions of this Act, a tenant of a holding to which this Act applies, may, on quitting his holding, be entitled to claim, in the prescribed manner, compensation to be paid by the landlord in respect of all improvements on his holding
10 made by him or his predecessors in title, which add to the letting value of the holding, and are suitable to the character of the holding and have not diminished the letting value of any other property of the same landlord.

Tenant's right to compensation for improvements.

(2) In the event of any dispute between a landlord and a
15 tenant with regard to a claim for compensation under this section, such dispute, unless the parties agree to refer it to arbitration, shall be determined by the court in accordance with the provisions of this Act, and the court in awarding such compensation to the tenant in respect of such improvements, may, in reduction of the tenant's
20 claim, take into consideration the rent at which such holding had been held, and any benefits which the tenant may have received from his landlord in consideration expressly or impliedly of the improvements made.

2.—(1) A tenant of a holding who is quitting it shall not
25 be entitled to any compensation in respect of any improvement when it appears to the court that the landlord has made an offer

Limitation of tenant's right in certain cases.

[Bill 323.]

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A.D. 1906. which in the opinion of the court is reasonable, of a new tenancy or of the continuance or renewal of the tenancy, with the right to the tenant to dispose of his interest therein, and the tenant has not accepted the offer.

(2) A tenant shall not be entitled to any compensation in respect of any improvement, made either before or after the passing of this Act, which the landlord had undertaken to make, except in cases where the landlord has failed to perform his undertaking within the time agreed on between him and the tenant, or within a time which, in the opinion of the court, is a reasonable time.

(3) A tenant shall not be entitled to any compensation in respect of any improvement made, whether before or after the passing of this Act, in contravention of a contract in writing not to make the improvement.

Landlord's
right to
object.

3.—(1) Where a tenant of a holding proposes, after the passing of this Act, to make improvements in his holding, he shall send to his landlord notice, in the prescribed manner, of his intention to make such improvements, together with a specification or plan of the proposed improvements, and if the landlord or in his absence his known agent, does not within *three months* after the receipt of the notice send notice of objection, in the prescribed manner, to the tenant, the tenant may proceed to make the proposed improvements; but if the landlord sends such notice objecting to all or any of the improvements, the tenant may, in the prescribed manner, apply to the court, and the court may, if satisfied that the improvement will add to the letting value of the holding and is suitable to the character thereof, sanction all or any of the proposed improvements, making such modifications in the specification or plan as the court thinks fit.

(2) Provided always that the landlord may, at any time after receiving the tenant's notice or during the hearing by the court or after the decision of the court, undertake to execute the improvement himself, and may execute the same in a reasonable and proper manner, and charge the tenant with a sum not exceeding five pounds per centum per annum on the outlay incurred in executing the improvement, or not exceeding such annual sum payable for a period of twenty-five years as will repay such outlay in the said period, with interest at the rate of three pounds per centum per annum, such annual sum to be recoverable as rent, and make such other order as to the sum to be expended as it may think fit.

(3) A tenant shall not be entitled to claim compensation in respect of any improvements made after *the passing of this Act* unless he has given notice thereof under this section, and (in case the landlord has given notice of objection thereto) the improvements have been sanctioned by the court: Provided that where any sanitary authority, under the Public Health (Ireland) Acts or the Housing of the Working Classes Acts, requires the owner or occupier to make any improvements or execute any works in the holding, the occupier, upon the landlord's default, may make or execute (subject to the provisions of the preceding subsection) such improvements or works, and such improvements or works shall be deemed to be improvements within the meaning of this Act.

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4. Where, in the case of any holding, there are several persons standing in the relation to each other of landlord and tenant, the following provisions shall apply:—

Conditions of compensation.

Any mesne landlord against whom a claim arises under this Act shall, at the end of his term, be entitled to claim compensation against his immediate landlord in like manner and on the same conditions as if he had himself made the improvements in question:

A mesne landlord shall not be entitled to make a claim under this section unless he has, within the time and in the manner prescribed, sent to his immediate landlord copies of all documents relating to the claims which have been sent to him, in pursuance of the last preceding section. The said immediate landlord shall thereupon have, in addition to the mesne landlord, the powers conferred by or in pursuance of the last preceding section in like manner as if he were the immediate landlord of the occupying tenant, and shall, in the manner and to the extent prescribed, be bound by the proceedings.

5.—(1) Where the landlord unreasonably, and without good and sufficient cause, terminates or refuses to grant a renewal of the tenancy, or unreasonably and without due and sufficient cause requires more onerous conditions as terms of such renewal, the tenant upon quitting the holding shall be entitled to compensation for disturbance, which shall mean, in addition to any compensation due to the tenant for improvements under this Act, a further compensation in respect to the loss which shall be sustained by the tenant by reason of quitting the holding.

Compensation for unreasonable disturbance.

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In the event of any difference arising as to—

(a) the reasonableness or sufficiency of the cause of removal;
or

(b) the amount of the compensation for disturbance—

the difference shall, in default of agreement, be settled by the 5
court.(2) This section shall apply only to houses, shops, and other
buildings occupied wholly or partly for business purposes.Sums to be
deducted by
landlord.6. Out of any moneys payable to a tenant under this Act,
all sums due to the landlord from the tenant or his predecessors 10
in title in respect of rent, or in respect of any deterioration of
the holding arising from any non-observance on the part of the
tenant of any express or implied covenant or agreement, may
be deducted by the landlord, and also any taxes payable by the
tenant due in respect of the holding and not recoverable by him 15
from the landlord.

Exceptions.

7. A tenant who is evicted for breach of any condition of his
tenancy shall not be entitled to any compensation for disturbance
under this Act.Exclusion of
certain
holdings.8. This Act shall not apply to any holding let to the tenant 20
during his continuance in any office, appointment, or employment,
or for the temporary convenience, or to meet a temporary necessity,
either of the landlord or tenant, provided that any such letting
made after the passing of this Act shall be by contract in writing,
which shall express the purpose for which such letting is made. 25Prohibition
of contract-
ing out.9. Any contract made by a tenant, whether before or after
the passing of this Act, by virtue of which he would be, directly
or indirectly, deprived of his right to obtain compensation under
this Act, shall be void unless the court adjudicating upon a claim
for compensation by such tenant shall be of opinion that such 30
contract was reasonable and that it was entered into by the parties
without any direct or indirect compulsion.Jurisdiction
of the county
court.10.—(1) The court for the determination of all matters under
this Act shall, except where otherwise expressly provided, be
the county court having jurisdiction where the holding is situate. 35(2) Subject to the provisions of this Act, rules for regulating
proceedings in a county court under this Act may be made in

accordance with the County Courts (Ireland) Acts, 1851 to 1889, and such rules may (inter alia) provide for—

(a) the manner in, and the time within, which notice under this Act shall be served ;

5 (b) the manner in which notices, orders, and other documents under this Act may be authenticated ;

(c) (subject to the provisions of this Act) the particulars to be inserted in any notice to any person or in any application to or order made by the court under this Act.

(3) An appeal may be taken from any determination of the county court under this Act, and the enactments in the County Courts (Ireland) Acts, 1851 to 1889, relating to appeals in the case of ordinary civil bill, shall apply accordingly.

15 (4) Provided that where the sum claimed for compensation under this Act exceeds five hundred pounds, the determination of all matters relating thereto shall, on the application of either party, and subject to rules of the High Court, be removed to the King's Bench Division of that Court, and tried in like manner
20 and be subject to the same incidents and right of appeal as in the case of an action in that division.

11. Sections eighteen, twenty-one, and twenty-three of the Landlord and Tenant (Ireland) Act, 1870, shall, so far as they are applicable, apply to proceedings in respect of claims under this
25 Act, and the said section twenty-three shall have effect as if "county court" were substituted therein for "civil bill court."

12. The holdings to which the provisions of this Act relating to compensation for improvements apply are houses, shops, and other buildings occupied either for residential or for business
30 purposes, or partly for residential and partly for business purposes.

13. The following expressions in this Act shall, unless the context otherwise requires, have the meanings hereinafter respectively assigned to them (that is to say):—

"Landlord" shall have the same meaning as in section one
35 of the Landlord and Tenant (Ireland) Act, 1860 ;

"Owner" shall have the same meaning as in section two of the Public Health (Ireland), Act, 1878 ;

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"Tenant" shall mean any person entitled in actual possession to the holding under any lease or life lease, or contract of tenancy, whether the interest of such tenant shall have been acquired by original contract, lawful assignment, bequest, devise, or act and operation of law, and includes any person entitled in actual possession to the equity of redemption in a lease or a life lease, subject to a mortgage, and, where the holding is comprised in or effected by a settlement, includes the tenant for life or the person having the powers of a tenant for life under such settlement;

"Lease" means a lease, under-lease, assignment operating as a lease or under-lease, or an agreement for such lease, under-lease, or assignment;

"Rules" include forms;

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"Prescribed" means prescribed by rules of the county court.

Registration
of improve-
ments.

14. Improvements by a landlord or tenant on any holding may be registered in the manner provided by section six of the Landlord and Tenant (Ireland) Act, 1870, but the court in which the improvements may be registered shall be the court within the meaning of this Act, and the said section for the purposes of this section shall be deemed to be incorporated in this Act.

Commence-
ment of Act.

15. This Act shall come into operation on the passing thereof.

Short title.

16. This Act may be cited as the Town Tenants (Ireland) Act, 1906. *